

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

MONDAY, JUNE 29, 2015 AT 10:30 AM

IN THE MARY BRENNAN BOARD ROOM

T. F. GREEN AIRPORT

2000 POST ROAD, WARWICK, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (Corporation) Board of Directors was called to order by Chair, Jon Savage at 10:36 a.m., in the Mary Brennan Board Room at 2000 Post Road, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

BOARD MEMBERS PRESENT: Jon Savage; Russell Hahn; Deborah Thomas; Paul Carroll; Michael Traficante and Christopher Little.

BOARD MEMBER ABSENT: Heather Tow-Yick.

ALSO PRESENT: Kelly J. Fredericks, P.E., A.A.E., President and CEO; and those members listed on the attendance sheet attached hereto.

1. Approval of the Minutes:

A motion was made by Mr. Little to approve the minutes of the Board

of Director's Meeting of May 20, 2015 and seconded by Ms. Thomas. The motion was passed unanimously.

2. Open Forum:

Mr. Savage asked if anyone present wanted to speak in Open Forum.

Mr. Bill DiBlasio asked to address the Board. Mr. DiBlasio stated he has operated a flight services operation in Rhode Island for 45 years flying customers all over the world in both helicopters and jets. Mr. DiBlasio stated that both T. F. Green Airport and North Central Airport are international airports and that due to new international service at T. F. Green Airport, Customs and Border Protection (CBP) officers are curtailed from serving North Central Airport. Mr. DiBlasio stated that he spoke with CBP and was informed that the officers are tied up at T. F. Green and they do not have enough officers for North Central. Mr. DiBlasio stated that due to unavailability of the CBP he was forced to divert an international flight to Burlington Airport. Mr. DiBlasio stated that it was time consuming and inconvenient for his passengers who are Rhode Island tax payers. Mr. DiBlasio asked the Board to intercede on his behalf with CBP to have officers available at North Central Airport.

Mr. Savage asked if Mr. DiBlasio's flights are on a fixed schedule and how arrangements are made to request CBP Officers be available for international flights. Mr. DiBlasio stated the flights are not on a

fixed schedule and requests are made on an online form. Mr. DiBlasio stated that he followed up on the online request with a phone call and was told there were no officers available as the time overlapped with an international flight arriving at T. F. Green Airport.

Mr. Savage thanked Mr. DiBlasio for bringing this to the attention of the Board and stated that RIAC staff would look into this matter. Mr. Fredericks asked Mr. DiBlasio to provide contact information to set up a time to discuss this matter.

3. Report from President and CEO:

Mr. Fredericks stated that due to time constraints he will forgo the report from the President and CEO and will send the Board Members the report electronically.

Mr. Fredericks also stated that the order of the meeting would be changed and the Board will make a motion to go into Executive Session first and then revert to the Finance and Audit Committee items and Board of Director's Action items following the Executive Session. (The numbering of the minutes, therefore, does not following the posted agenda.)

4. Executive Session:

At approximately 10:43 a.m. a motion was made by Mr. Hahn and seconded by Mr. Traficante to go into Executive Session for the purposed of discussion the following items:

(a) Motion to Approve the Minutes of the Executive Session held on May 20, 2015 - R.I.G.L. § 42-46-5(a)(2) and (7); and

(b) Investment of Public Funds Where Premature Disclosure Would be Detrimental to the Public Interest (Air Service Development) – R.I.G.L. § 42-46-5(a)(7); and

(c) Discussions Related to Three Nonpublic Potential Litigation Matters (Real Estate Dispute, Construction Dispute and GA Airport Issue) and One Public Litigation Matter (Bogosian vs. RIAC) – R.I.G.L. § 42-46-5(a)(2); and

(d) Discussions Related to Two Security Matters - R.I.G.L. § 42-46-5(a)(3); and

(e) Discussion Related to Personnel (Job Performance) - R.I.G.L. § 42-46-5(a)(1); and

(f) Motion to Return to Open Session.

By following roll call the vote the motion was passed unanimously.

YEAS: Jon Savage

Russell Hahn

Deborah Thomas

Michael Traficante

Paul Carroll

Chris Little

NEAS: None

ABSTAIN: None

At approximately 11:37 a.m. Mr. Little left the meeting.

At approximately 12:08 p.m., a motion was made by Ms. Thomas and seconded by Mr. Traficante to return to Open Session.

5. Post Executive Session Action:

(a) Motion to Seal the Minutes of the Executive Session Held on June 29, 2015.

A motion was made by Mr. Hahn and seconded by Mr. Traficante to seal the minutes of the Executive Session in accordance with R.I.G.L. § 42-46-5(a)(2) and (7) by the following roll call vote:

YEAS: Jon Savage

Russell Hahn

Deborah Thomas

Michael Traficante

Paul Carroll

NEAS: None

ABSTAIN: None

(b) Report on Actions Taken in Executive Session.

There were no actions taken in the Executive Session.

6. Finance and Audit Committee Report.

There was no report given.

Consent Items:

(a) Consideration of and Action Upon Approval of the Fiscal Year 2016 Budget.

Mr. Savage reported the Committee met prior the Board Meeting with a full report from Staff and the Committee approved the Fiscal Year 2016 Budget and recommended its passage by the full Board.

A motion was made by Mr. Hahn and seconded by Mr. Traficante to approve the Fiscal Year 2016 budget, in substantially the form presented.

The motion was passed unanimously.

(b) Consideration of and Action Upon Approval to Find Insurance Policies that are Effective June 30, 2015.

The recommendation is that the Board authorizes the President and CEO, or his designee, to bind the insurance policies that are effective June 30, 2015 as recommended by RIAC's insurance broker and RIAC management.

A motion was made by Ms. Thomas and seconded by Mr. Traficante to approve the following resolution:

WHEREAS, the Rhode Island Airport Corporation (RIAC) is responsible for the maintenance and operation of airport facilities at the six Rhode Island airports; and

WHEREAS, RIAC carries General Liability Insurance, Aircraft Hull and Liability Insurance, Property Insurance, Automobile Insurance, Inland Marine (Mobile Equipment) Insurance, Workers' Compensation Insurance, Pollution Insurance, Flood Insurance, Storage Tank Insurance, Crime Insurance, Fiduciary Insurance, Cyber Insurance and Public Entity (D&O) Insurance policies; and

WHEREAS, all policies except for Pollution, Crime, Fiduciary, Cyber,

Public Entity (D&O), Storage Tank and Flood have renewal dates of June 30, 2015; and

WHEREAS, RIAC utilizes the brokerage services of Willis of Massachusetts, Inc. (Willis) to competitively market its Insurance Program; and

WHEREAS, after an extensive renewal process, Willis and RIAC management recommend that the following policies be bound effective June 30, 2015; and

WHEREAS, RIAC's proposed fiscal year 2016 budget provides funding for these policies through its Operating & Maintenance (O & M) budget.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to bind the insurance policies that are effective June 30, 2015 as recommended by Willis of Massachusetts, Inc. and RIAC management.

The motion was passed unanimously.

7. Action Items:

(a) Consideration of and Action Upon Approval of a Construction Contract for Obstruction Removal at T. F. Green Airport AND Consideration of and Action Upon Approval of a Consultant Task Order to Provide Aeronautical Survey and AGIS Submission Services at T. F. Green Airport.

Mr. Fredericks stated that this item is part of an ongoing program. The recommendation is that that the Board authorizes the President and CEO, or his designee, to execute a Construction Contract with North-Eastern Tree Service, Inc. in the amount of \$357,000, which is included in the proposed Fiscal Year 2016 Capital Improvement Program budget, for On-Airport Obstruction Removal Services related Runway 16-34, subject to receipt of a federal grant offer AND that the Board authorizes the President and CEO, or his designee, to execute a Task Order with Stantec Consulting Services, Inc. in the amount of \$168,119, which is included in the proposed Fiscal Year 2016 Capital Improvement Program budget, to provide an Aeronautical Survey and AGIS Submission Services, subject to receipt of a federal grant offer.

A motion was made by Mr. Hahn and seconded by Mr. Traficante to approve the following resolutions:

(i)

WHEREAS, on April 1, 2015, the Rhode Island Airport Corporation

(RIAC) issued an Invitation for Bids for On-Airport Obstruction Removal for Runway 16-34 at T. F. Green Airport; and

WHEREAS, on April 22, 2015, RIAC received one sealed bid from North-Eastern Tree Service, Inc. (North-Eastern) in the amount of \$357,000; and

WHEREAS, North-Eastern has worked on various projects for RIAC (including On-Airport Obstruction Removal for Runway 5-23 awarded in January 2015) and, based on earlier phases and bidding, the bid price is reasonable for the size and scope of this phase; and

WHEREAS, Stantec Consulting Services, Inc. (Stantec), RIAC's Design Consultant for this project, reviewed the bid and recommends award of the contract to North-Eastern; and

WHEREAS, RIAC staff agrees with Stantec's determination and recommends award of this contract to North-Eastern; and

WHEREAS, RIAC staff reviewed this bid with the Federal Aviation Administration (FAA) and on April 27, 2015, the FAA agreed with the recommendation to award the Contract to North-Eastern; and

WHEREAS, the project is proposed in the Fiscal Year 2016 Capital Improvement Program (CIP) budget; and

WHEREAS, RIAC has submitted a grant application to the FAA to fund 90% of the cost (\$321,300) with RIAC's matching 10% (35,700) funded from Passenger Facility Charges and/or Bonds.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Construction Contract with North-Eastern Tree Service, Inc. in the amount of \$357,000, which is included in the proposed Fiscal Year 2016 Capital Improvement Program budget, for On-Airport Obstruction Removal Services related Runway 16-34, subject to receipt of a federal grant offer.

(ii)

WHEREAS, On October 1, 2013, the Rhode Island Airport Corporation (RIAC) entered into a Professional Services Agreement (PSA) with Stantec Consulting Services, Inc. (Stantec) to provide Consulting Services for the Obstruction Removal Program at T. F. Green Airport; and

WHEREAS, to date, six Task Orders totaling \$844,390 have been issued under this PSA; and

WHEREAS, RIAC staff negotiated a Scope and Fee with Stantec in the amount of \$168,119 to provide an Aeronautical Survey and AGIS Submission Services; and

WHEREAS, the Federal Aviation Administration (FAA) reviewed the Scope and Fee and on April 30, 2015 approved the Task Order; and

WHEREAS, the project is in the proposed Fiscal Year 2016 Capital Improvement Program (CIP) budget; and

WHEREAS, RIAC plans to fund this Task Order with Passenger Facility Charges and/or Bonds (\$93,083), a Federal Grant (\$67,532), and RIAC General Purpose Funds (\$7,504).

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Task Order with Stantec Consulting Services, Inc. in the amount of \$168,119, which is included in the proposed Fiscal Year 2016 Capital Improvement Program budget, to provide an Aeronautical Survey and AGIS Submission Services, subject to receipt of a federal grant offer.

The motion was passed unanimously.

(b) Consideration of and Action Upon Approval of a Consultant Task Order for the Phase 3 Acquisition and Relocation Services at T. F. Green Airport.

Mr. Fredericks gave an overview of this item and noted that the fee includes all services associated with the acquisition, demolition, and relocation of these properties, excluding the cost to purchase the properties. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Task Order with W D Schock Company, Inc. in the amount of \$782,680, which is included in the proposed Fiscal year 2016 Capital Improvement Program budget, for Phase 3 - Acquisition and Relocation Services associated with the Runway 5 Extension Project at T. F. Green Airport.

A motion was made by Mr. Traficante and seconded by Mr. Hahn to approve the following resolution:

WHEREAS, on October 20, 2010, the Board approved the selection of W D Schock Company, Inc. (Schock) to provide On-Call Land Acquisition and Relocation Services and Avigation Easement Acquisition Services for the Rhode Island Airport System; and

WHEREAS, to date, 15 Task Orders in the amount of \$8,686,294 have been issued under this Agreement; and

WHEREAS, Rhode Island Airport Corporation (RIAC) staff has negotiated a Scope and Fee with Schock in the amount of \$782,680 to perform Phase 3 - Acquisition and Relocation Services for the Project; and

WHEREAS, this fee includes all services associated with the acquisition, demolition, and relocation of these properties, excluding the cost to purchase the properties; and

WHEREAS, this Task Order was reviewed and approved by the Federal Aviation Administration (FAA) on June 16, 2015; and

WHEREAS, this project is included in the proposed Fiscal Year 2016 Capital Improvement Program (CIP) budget, as part of the Runway 5-23 Extension Program, in the amount of \$87,000,000; and

WHEREAS, this Task Order will be funded from General Purpose Funds until Federal Fiscal Year 2017, when RIAC plans to submit a grant application for the cost of this phase.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Task Order with W D Schock Company, Inc. in the amount of \$782,680, which is included in the proposed Fiscal year 2016 Capital Improvement Program budget, for Phase 3 - Acquisition and Relocation Services associated with the Runway 5 Extension Project at T. F. Green Airport.

The motion passed unanimously.

(c) Consideration of and Action Upon Approval of a Construction Contract Change Order for Additional Work Related to the Construction of Winslow Park at T. F. Green Airport.

Mr. Frazier gave an overview of this item and noted that the Federal Aviation Administration is in support of the justification for the change order. This item is eligible for funding under an existing grant for the relocation of Winslow Park. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Construction Contract Change Order with J.H. Lynch and Sons, Inc. in the amount of \$179,823, which is included in the Fiscal Year 2016 Capital Improvement Program budget, for the Relocation of Winslow Park Project at T. F. Green Airport.

A motion was made by Mr. Hahn and seconded by Mr. Traficante to approve the following resolution:

WHEREAS, the Rhode Island Airport Corporation (RIAC) has been in discussions with J.H. Lynch & Sons, Inc. (Lynch) to address earth work/excess excavation at Winslow Park; and

WHEREAS, the Louis Berger Group (LBG), RIAC's Design Consultant for this project, and AECOM, RIAC's Program Manager, reviewed the contract documents and all correspondence regarding the excess excavation quantity RIAC has received from Lynch and recommends the approval of a Construction Change Order (CCO) in the amount of

\$179,823; and

WHEREAS, RIAC staff and the Federal Aviation Administration (FAA) have reviewed the CCO and agree with LBG's and AECOM's recommendation; and

WHEREAS, this CCO of \$179,823 is a component of the Winslow Park budget of \$7,415,684 which is included in the proposed Fiscal Year 2016 Capital Improvement Program budget; and

WHEREAS, RIAC plans to fund this COO with an existing grant issued for the relocation of Winslow Park.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Construction Contract Change Order with J.H. Lynch and Sons, Inc. in the amount of \$179,823, which is included in the Fiscal Year 2016 Capital Improvement Program budget, for the Relocation of Winslow Park Project at T. F. Green Airport.

The motion passed unanimously.

(d) Consideration of and Action Upon Approval of a Consultant Task Order Amendment to Provide Additional Construction Administration Services Associated with Runway 34 at T. F. Green Airport.

Mr. Fredericks gave an overview of this item. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Task Order Amendment with AECOM Technical Services, Inc. in the amount of \$149,798, which is included in the proposed Fiscal Year 2016 Capital Improvement Program budget, to provide additional Construction Administration Services related to Runway 34 End Safety Area construction at T. F. Green Airport.

A motion was made by Mr. Hahn and seconded by Mr. Traficante to approve the following resolution:

WHEREAS, on September 21, 2011, the Board approved the selection of AECOM Technical Services, Inc. (AECOM) to provide Program Management Services for the T. F. Green Airport Improvement Program; and

WHEREAS, to date, 10 Task Orders totaling \$5,791,281 have been issued under this Agreement; and

WHEREAS, AECOM has requested funding to provide additional Construction Administration Services in Support of the Runway 34 End Safety Area construction, including the Lake Shore Drive culvert replacement, stream relocation and updating documents to be consistent with new Rhode Island Department of Environmental Management (RIDEM) regulations, specifically, the conversion from

Storm Water Pollution Prevention (SWPP) Plans to Soil, Erosion, Sediment Control (SESC) Plans; and

WHEREAS, the Rhode Island Airport Corporation (RIAC) staff has negotiated a Scope and Fee with AECOM in an amount not to exceed \$149,798 to provide these additional services; and

WHEREAS, this Scope and Fee was reviewed and approved by the Federal Aviation Administration (FAA) on June 24, 2015; and

WHEREAS, the proposed cost is planned to be funded 90% from an existing FAA grant and 10% from Passenger Facility Charges and

WHEREAS, this project is included in the proposed Fiscal Year 2016 Capital Improvement Program.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Task Order Amendment with AECOM Technical Services, Inc. in the amount of \$149,798, which is included in the proposed Fiscal Year 2016 Capital Improvement Program budget, to provide additional Construction Administration Services related to Runway 34 End Safety Area construction at T. F. Green Airport.

The motion was passed unanimously.

(e) Consideration of and Action Upon Approval of an Agreement with Quonset Development Corporation for the Reimbursement of Expenditures Associated with Improvements to Certain Revenue Producing Parcel at Quonset State Airport.

Mr. Schattle gave an overview of this item. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute an Agreement the Quonset Development Corporation for the reimbursement of expenditures associated with improvements to certain revenue producing parcels at Quonset State Airport, in substantially the form presented.

A motion was made by Ms. Thomas and seconded by Mr. Hahn to approve the following resolution:

WHEREAS, the Rhode Island Airport Corporation (RIAC) has the responsibility of developing revenue to support its general aviation airport system from certain real estate parcels at the Quonset State Airport (Revenue Producing Parcels) leased to RIAC by the State of Rhode Island; and

WHEREAS, the Revenue Producing Parcels are managed on behalf of RIAC by the Quonset Development Corporation (QDC); and

WHEREAS, RIAC has previously leased to the Rhode Island

Commerce Corporation (Commerce RI), acting by and through its agent and attorney in fact, the QDC, portions of the Revenue Producing Parcels for subsequent sublease to Electric Boat (EB) which required facility improvements, as approved at RIAC's August, 2013 Board Meeting; and

WHEREAS, the QDC had procured and provided oversight of the demolition of the decommissioned central heating steam generating plant, as approved at RIAC's December 2013 Board Meeting; and

WHEREAS, the QDC has procured for \$7,500,000 and maintains oversight of the reconstruction of the sea wall protecting various RIAC owned parcels; and

WHEREAS, the QDC has secured a federal grant of \$6,000,000 with RIAC being responsible for the remaining 20% or \$1,500,000; and

WHEREAS, the QDC has proposed a payment arrangement for the total of the improvements of the three items noted which are estimated at approximately \$2,350,000; and

WHEREAS, RIAC will pay the QDC beginning Fiscal Year ended 2016 the lesser of the estimated \$235,000 or net revenues from RIAC Revenue Producing Parcels; and

WHEREAS, the term of the payments will be for 10 years; and

WHEREAS, attached hereto is a draft of the proposed Agreement with the QDC; and

WHEREAS, RIAC staff recommends approval of the attached Agreement substantially the form presented.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute an Agreement the Quonset Development Corporation for the reimbursement of expenditures associated with improvements to certain revenue producing parcels at Quonset State Airport, in substantially the form presented.

The motion passed unanimously.

(f) Consideration of and Action Upon Entering a Contract with the Department of Homeland Security Science and Technology Directorate, The Transportation Security Administration and Reallaer. LLC.

Mr. Savage noted that the security issues associated with this project were discussed in the foregoing executive session. Mr. Savage made a motion to share certain data with the Department of Homeland Security Science and Technology Directorate, the Transportation

Security Administration and Reallaer, LLC. upon confirmation of appropriate insurance coverages and ensuring the traveling public is notified of surveillance. Ms. Thomas seconded the motion.

The motion was passed unanimously.

(g) Consideration of and Action Upon Contract Amendment for the President & CEO.

A motion was made by Ms. Thomas that the RIAC Board of Directors accept the recommendation of the Finance and Audit Committee that the Board Chair be authorized to negotiate and enter with the RIAC President and CEO a contract amendment to implement the contract updates approved at the February 2015 Board meeting, to extend the term by one year, and to allow for a maximum of eight weeks of vacation carryover based on the discussions held in the foregoing executive session. Mr. Traficante seconded the motion.

The motion was passed unanimously.

8. Future Meetings:

The July 15, 2015 Board of Director's Meeting is cancelled. The next Board Meeting will be held on Wednesday, August 19, 2015 at 4:00 p.m., in the Mary Brennan Board Room, T. F. Green Airport, Warwick, Rhode Island.

9. Adjournment:

Mr. Hahn moved to adjourn at approximately 12:19 p.m. Mr. Traficante seconded the motion. The motion was passed unanimously.

Respectfully submitted,

**Jon Savage, Chair
Rhode Island Airport Corporation**

**PUBLIC ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
MEETING OF THE BOARD OF DIRECTORS
MONDAY, JUNE 29, 2015**

NAME	AFFILIATION
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Brian Schattle	RIAC
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Peter Frazier	RIAC
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Patricia Goldstein RIAC

Alan Andrade RIAC

Liberty Luciano RIAC

Sherri Ann Penta RIAC

Bruce Wilde RIAC

Doug Dansereau RIAC

Dan Porter RIAC

Timothy Pimental RIAC

Eric Seabury RIAC

Robert Geoff New England Parking

Joe Barra Robinson and Cole

Peter Gray-Mullen AI Engineers

Tammi Burnham Allied Court Reporters

Dan Burche Transportation Security Administration

Bill DeBlasio Constituent

Mike Keefe Constituent

The minutes of the Executive Session of the Board Meeting of June 29, 2015 have been sealed in accordance with R.I.G.L. § 42-46-4.